Labour Market Bulletin

Nova Scotia

April 2018

This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Nova Scotia, including the regions of Annapolis Valley, Cape Breton, Southern, Halifax and North Shore.

OVERVIEW

Employment was up in April over the previous month by 2,700, reaching its highest point since October 2012. The change was divided between full-time and part-time workers, as full-time employment increased by 1,100 to an all-time high of 376,200. The remainder of the employment growth was accounted for by part-time workers. Despite the rising employment level, 900 people exited the labour force, causing the participation rate to decline by 0.2 percentage points (pp) to 61.5%. The combined effect of higher employment and a smaller labour force drove the unemployment rate down to 6.7%, the lowest monthly rate on record for Nova Scotia.

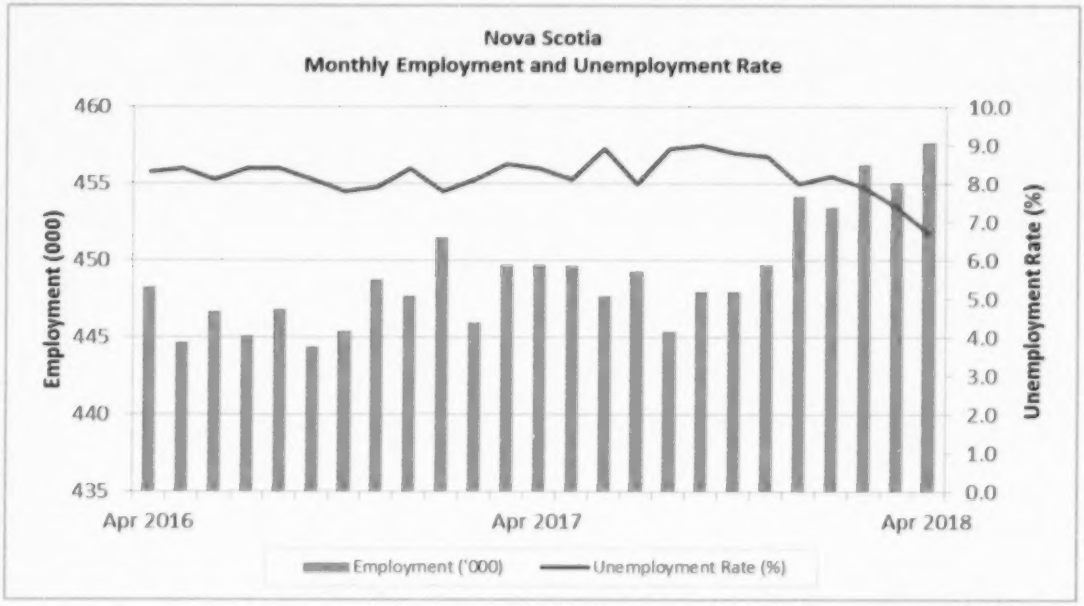
Nova Scotia Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Apr 2018	Mar 2018	Apr 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	797.0	796.6	791.2	0.4	0.1	5.8	0.7
Labour Force ('000)	490.5	491.4	491.2	-0.9	-0.2	-0.7	-0.1
Employment ('000)	457.7	455.0	449.7	2.7	0.6	8.0	1.8
Full-Time ('000)	376.2	375.1	365.9	1.1	0.3	10.3	2.8
Part-Time ('000)	81.6	79.9	83.8	1.7	2.1	-2.2	-2.6
Unemployment ('000)	32.8	36.4	41.4	-3.6	-9.9	-8.6	-20.8
Unemployment Rate (%)	6.7	7.4	8.4	-0.7	-	-1.7	-
Participation Rate (%)	61.5	61.7	62.1	-0.2	-	-0.6	-
Employment Rate (%)	57.4	57.1	56.8	0.3	-	0.6	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

On an annual basis, employment was up by 8,000 over April 2017, an increase of 1.8%. This was the net result of 10,300 more people working full-time offset by 2,200 fewer individuals working part-time. The unemployment and participation rates declined by 1.7 pp and 0.6 pp respectively during the past year. The private sector continues to be the driver of job growth, adding 10,400 jobs year-over-year, while self-employment was also up by 700. Meanwhile, employment in the public sector declined by 3,200, canceling out some of the gains of the private sector.



Most labour market indicators for youths (aged 15 to 24 years) worsened over the past year. Youth employment decreased by 1,400, with the losses split almost evenly between full-time and part-time work. The number of youth in the labour force remained nearly unchanged however, so the unemployment rate rose by 1.9 pp to 16.4%. This figure is comparable to the Atlantic Region as a whole-15.5%-but is more than 5 pp higher than the national youth unemployment rate of 11.1%. Among this age group, changes in the labour market were decidedly less negative for females than for males. Over the course of the year, full-time employment of females increased by 400, while it declined by 1,300 for males. Female youths also posted higher participation and employment rates, and an unemployment rate nearly 8 pp lower than that of their male counterparts.

Nova Scotia Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Apr 2018	Mar 2018	Apr 2017	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	6.7	7.4	8.4	-0.7	-1.7
25 years and over	5.1	6.0	7.4	-0.9	-2.3
Men - 25 years and over	6.9	6.5	9.5	0.4	-2.6
Women - 25 years and over	3.2	5.4	5.3	-2.2	-2.1
15 to 24 years	16.4	16.0	14.5	0.4	1.9
Men - 15 to 24 years	20.2	16.7	17.0	3.5	3.2
Women - 15 to 24 years	12.5	15.4	11.9	-2.9	0.6

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

Prime working-age individuals (aged 25 to 54 years) appear to have benefitted from the growth in employment over the past year. Though the population of this age group declined slightly (-700), prime working-age employment was up by 7,400 overall with gains occurring for both sexes. The increase in the number of full-time workers-9,500-exceeded total employment growth as it was partially offset by a 2,100-person decline in part-time workers. Despite the shrinking population, 1,000 prime working-age adults joined the labour force which

raised the participation rate by 0.4 pp to 86.7%. Meanwhile, the unemployment rate of this group fell to 5% overall, and to an exceptionally low mark of 2.9% for females.

Developments in the labour market were also encouraging for older workers (aged 55 years and older). The employment level was up by 2,000 in this age group over the previous year, most of which was in full-time positions. The division between sexes, however, was very uneven as there were 3,700 more older male workers employed than one year ago, while 1,700 fewer older females. This was the only age group to experience positive population growth over the past year as it grew by 7,000 individuals, though the number of older workers participating in the labour force declined by 1,400. The overall result of these changes was a 3 pp decline in the unemployment rate, to 5.3%, and a 1.2 pp decline in the participation rate, to 33.8%.

EMPLOYMENT BY INDUSTRY

Employment increased in both the Goods-producing and Services-producing sectors over the past year. The number of workers in the **Goods-producing sector** was up by 3,100 compared to April 2017, driven by all sectors except for **Forestry, fishing, mining, quarrying, oil and gas**. **Construction** led the way with 1,600 more jobs. Though some major projects such as the Maritime Link and Nova Centre are winding down, investment in non-residential construction was up by 45.4% in Q1 2018 compared to Q1 2017. **Manufacturing** employment went up by 1,000, buoyed by recent shipment growth of food, plastics, rubber, and wood products. **Agriculture** experienced an employment increase of 600 against a backdrop of efforts to encourage the establishment and expansion of vineyards, while 600 more individuals also worked in **Utilities** than one year ago. The only decline recorded was in the **Forestry, fishing, mining, quarrying, oil and gas** industry which shed 800 workers as offshore gas extraction at the Sable and Deep Panuke projects winds down.

Nova Scotia Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Apr 2018	Mar 2018	Apr 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	457.7	455.0	449.7	2.7	0.6	8.0	1.8
Goods-producing sector	84.9	84.2	81.8	0.7	0.8	3.1	3.8
Agriculture	5.5	5.6	4.9	-0.1	-1.8	0.6	12.2
Forestry, fishing, mining, quarrying, oil and gas	10.0	9.0	10.8	1.0	11.1	-0.8	-7.4
Utilities	4.4	4.5	3.8	-0.1	-2.2	0.6	15.8
Construction	33.9	34.2	32.3	-0.3	-0.9	1.6	5.0
Manufacturing	31.1	30.9	30.1	0.2	0.6	1.0	3.3
Services-producing sector	372.8	370.8	367.9	2.0	0.5	4.9	1.3
Trade	78.6	78.1	76.3	0.5	0.6	2.3	3.0
Transportation and warehousing	20.7	19.6	18.9	1.1	5.6	1.8	9.5
Finance, insurance, real estate and leasing	21.6	22.0	22.8	-0.4	-1.8	-1.2	-5.3
Professional, scientific and technical services	26.2	26.7	28.4	-0.5	-1.9	-2.2	-7.7
Business, building and other support services	18.1	18.1	18.2	0.0	0.0	-0.1	-0.5
Educational services	37.9	37.0	34.4	0.9	2.4	3.5	10.2
Health care and social assistance	68.5	68.4	73.8	0.1	0.1	-5.3	-7.2
Information, culture and recreation	17.1	18.1	15.9	-1.0	-5.5	1.2	7.5
Accommodation and food services	35.4	34.4	30.8	1.0	2.9	4.6	14.9
Other services	19.1	18.6	18.8	0.5	2.7	0.3	1.6
Public administration	29.7	29.8	29.7	-0.1	-0.3	0.0	0.0

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

Employment in the larger **Services-producing sector** went up by 4,900 year-over-year, a 1.3% increase. The net increase was the result of six industries adding jobs and four industries losing jobs. **Accommodation and Food Services** led the growth with 4,600 additional workers. **Educational services** added 3,500 jobs as the provincial government staffed a newly minted pre-primary program. Further hiring is expected in the public education

system as the program expands to more locations and classroom support staff are added. Employment in **Wholesale and retail trade** went up by 2,300, while the **Transportation and warehousing** sector employed 1,800 more individuals than one year ago. Positive employment growth also occurred in the **Information, culture and recreation** and **Other services** industry groups. Year-over-year employment declines occurred in four industries: **Business, building and other support services**; **Finance, insurance, real estate, rental and leasing**; **Professional, scientific and technical services**; and **Health care and social assistance**.

REGIONAL ANALYSIS

The positive changes in the N.S. labour market over the past year were not shared equally among economic regions. Generally, Halifax experienced the strongest job growth while the Annapolis Valley also enjoyed a more-muted improvement in conditions. Cape Breton, North Shore, and Southern regions all experienced deteriorating labour market outcomes.

Nova Scotia Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Apr 2018 ('000)	Apr 2017 ('000)	Yearly Variation (%)	Apr 2018 (%)	Apr 2017 (%)	Yearly Variation (% points)
Nova Scotia	444.1	435.9	1.9	8.4	9.4	-1.0
Economic Regions						
Cape Breton	44.5	45.7	-2.6	15.6	15.8	-0.2
North Shore	65.1	66.8	-2.5	10.1	10.1	0.0
Annapolis Valley	55.8	54.9	1.6	9.3	9.4	-0.1
Southern	47.6	48.5	-1.9	8.3	10.7	-2.4
Halifax	231.0	219.9	5.0	6.3	7.4	-1.1

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122

In **Cape Breton**, there was a 1,200-person loss in employment, all of which was full-time. Despite this, the unemployment rate declined by 0.2 pp to 15.6%, as 1,600 workers exited the labour force. The population also declined, but at a slower pace than the labour force, causing the participation rate to drop by 1.3 pp to 50.3%-the lowest in the country. The **Goods-producing sector** added jobs, driven by **Manufacturing** and **Construction**, though these gains were more than offset by significant losses in the **Sevices-producing sector**. Of the 11 Services-producing industries, employment levels rose in three industries-**Information, culture and recreation**, **Accommodation and food services**, and **Other services**-while the number employed in **Public administration** stayed the same. The remaining seven Services-producing industries shed nearly 5,000 employees, led by **Educational services**.

The **North Shore** experienced an overall 1,700-person decrease in employment, though a bright spot was that full-time employment went up by 1,200. As in Cape Breton, the unemployment rate did not increase because the number of people who exited the labour force was comparable to the decrease in employment; this rate remained at 10.1%. The **Goods-producing sector** shed 200 jobs since April 2017, as employment in **Agricultlure** and **Construction** declined. The **Manufacturing** industry, however, added 900 workers in the region. The net change in employment was worse in the **Services-producing sector**, in which employment went down by 1,500. Employment gains were greatest in **Educational services**, while **Transportation and warehousing**, **Finance, insurance, real estate, rental and leasing**, and **Business, building and other support services** also posted strong increases. No change was observed in **Information, culture and recreation**, and employment declined in all of the remaining industries.

The **Annapolis Valley** was the sole region aside from of Halifax which experienced labour market improvements-albeit moderate. Total employment was up by 900, an increase of 1.5% compared to one year prior, though this

was the net result of a moderate loss of full-time employees combined with a large increase in part-time workers. The labour force also grew by 900 individuals, so the unemployment rate was nearly unchanged (9.3%, down from 9.4%). At 59.7%, the participation rate was second-highest in the province after Halifax. Employment in the **Goods-producing sector** increased by 2.4%, as strong gains in **Agriculture** and more modest gains in **Construction** were partially offset by losses in the other three Goods-producing industries. Employment in the **Services-producing sector** also increased slightly, by 1.4%. **Wholesale and retail trade** led with strong growth, while employment also went up in **Transportation and warehousing**, **Finance, insurance, real estate, rental and leasing**, **Educational services**, **Other services**, and **Public administration**.

The **Southern** region posted a mixture of positive and negative labour market indicators. Overall, employment contracted by 900 as the net result of more full-time workers (+800) and fewer part-time (-1,700). The labour force shrank at a faster rate than employment, causing the unemployment rate to decline from 10.7% to 8.3% despite the loss of employment. There was a slight reduction in **Goods-producing sector** employment as large losses in **Forestry, fishing, mining, quarrying, oil and gas** were nearly offset by strong gains in **Construction** as well as smaller increases in **Manufacturing**. While the **Services-producing sector** in this region recorded an 800-person decrease in employment, there were some bright spots. Employment in **Educational services** and **Accommodation and food services** both went up by 1,400, and sizeable gains were also noted in **Finance, insurance, real estate, rental and leasing** and **Professional, scientific and technical services**. The remaining industries-aside from **Transportation and warehousing** which remained unchanged-experienced decreases in employment.

By far, labour market indicators were most positive for the **Halifax** region. Since one year ago, the working-age population grew by 1.7%, the labour force by 3.7% (8,800), and employment by 5.0% as the number of workers in the region went up by 11,100. This was comprised of a 12,800-person increase in full-time employment, tempered slightly by the loss of 1,800 part-time workers. As a result of these developments, the unemployment rate declined by 1.1 pp to 6.3%. Employment growth in the **Goods-producing sector** accounted for about one-fifth of the total job growth, as all sectors but **Manufacturing** added workers. **Construction**, in which employment went up by 1,300, was the largest contributor to this growth though Manufacturing may also experience an increase in coming months as Irving's Halifax Shipyard fills 450 new jobs. In the **Serivces-producing sector**, the 8,800-person increase was spread among nearly all industries. Declines in employment only occurred in **Finance, insurance, real estate, rental and leasing** and **Professional, scientific and technical service**. While **Accommodation and food services** experienced the largest number increase in workers-3,400-the fastest rate of employment growth was in **Information, culture and recreation** which expanded by nearly 40%, rising from 8,300 to 11,600.

Note: *In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.*

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